



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 18, 2013

BRADLEY SCOTT KNIPPA, TREASURER
TED CRUZ FOR SENATE
815 A BRAZOS PMB 550
AUSTIN, TX 78701

Response Due Date

02/22/2013

IDENTIFICATION NUMBER: C00492785

REFERENCE: 30 DAY POST-GENERAL REPORT (10/18/2012 - 11/26/2012)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Senate Public Records Office by the response date noted above. Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 5 item(s):

1. Schedule A of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached). The Commission notes your additional explanation regarding the committee's corrective action taken for some of these contributions.

An individual or a political committee other than an authorized committee or a qualified multi-candidate committee may not make a contribution(s) to a candidate for federal office in excess of \$2,500 per election. An authorized committee may not make a contribution(s) to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. (2 U.S.C. § 441a(a) and (f); 11 CFR §§ 110.1(b), (e) and (k), and 102.13(c))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

Please be reminded that all refunds, redesignations and reattributions must be

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made within 60 days of receipt of the contribution. To date, one or more of the apparent excessive contributions have not been refunded, redesignated, or reattributed.

For reattributions, the funds can be retained if, within 60 days of receipt, the excessive amount was properly reattributed to another person. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor; or (2) the committee reattributes by presumption the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor who signed the check an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

For redesignations, the funds can be retained if, within 60 days of receipt, the excessive amount was properly designated for a different election. An excessive contribution is considered properly redesignated if (1) the committee obtains signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another election, provided that the new designation does not exceed the limitations on contributions made with respect to that election; or (2) the committee redesignates by presumption the excessive portion of the contribution for another election, provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing within 60 days of the treasurer's receipt of the contribution. The notification must give the contributor an opportunity to request a refund. (11 CFR § 110.1(b)(5)(ii)(B)) A contribution can only be redesignated to a previous election to the extent that the contribution does not exceed the committee's net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i))

If the foregoing conditions for reattributions or redesignations are not met within 60 days of receipt, the excessive amount must be refunded. (11 CFR § 103.3(b)(1))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/ or letters reattributing or redesignating the contributions in

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question. Refunds are reported on Line 20(a), (b), or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period in which the authorization for the redesignation and/or reattribution is received. (11 CFR § 104.8(d)(2), (3) and (4))

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund or redesignate and/or reattribute the excessive amount will be taken into consideration.

2. Schedule A of your report discloses one or more contributions that appear to be from a corporation(s) and/or labor organization(s) (see attached). 2 U.S.C. § 441b(a) and 11 CFR § 103.3(b) prohibit the receipt of contributions from corporations and labor organizations unless made from separate segregated funds established by the corporations and labor organizations.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

If you have received prohibited contributions, you must make a refund within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(1) and (2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the report covering the period in which the refund is made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

3. Schedule A of your report discloses one or more contributions from an organization(s), which is not a political committee registered with the Commission (see attached). In order for your committee to accept contributions from unregistered organizations, your committee should take steps to ensure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR

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§102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: (1) establish a separate account which contains only those funds permitted under the Act, or (2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(b) of the report covering the period in which the refund was made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

4. Schedule A of your report discloses one or more contributions received after the primary election that are designated for the primary. These contributions may only be accepted to the extent that the committee has net debts outstanding from the primary election. For more information on how to calculate net debts outstanding, please see page 25 of the Campaign Guide for Congressional Candidates and Committees, which is available online at <http://www.fec.gov/pdf/candgui.pdf>. (11 CFR § 110.1(b)(3)(i))

A contribution is considered made when the contributor relinquishes control over the contribution. A contributor shall be considered to have relinquished control over the contribution when it is delivered to the candidate, when it is delivered to an authorized committee of the candidate, or to an agent of an authorized committee of the candidate. A contribution that is mailed to any of the aforementioned recipients will be considered made on the date of the postmark. Envelopes should be retained for the committee's records. (11 CFR § 110.1(b)(6))

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If any contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If a contribution exceeds the amount of net debts outstanding from the primary election, you may have to refund or redesignate the contribution.

The funds can be retained if, within 60 days of receipt, the excessive amount was properly redesignated for a different election. An excessive contribution is considered properly redesignated if (1) the committee obtains signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election, or (2) the committee redesignates by presumption the excessive portion of the contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing within 60 days of the treasurer's receipt of the contribution. The notification must give the contributor an opportunity to request a refund. (11 CFR § 110.1(b)(5)(ii)(B))

If the foregoing conditions for redesignations are not met within 60 days of receipt, the excessive amount must be refunded. See 11 CFR § 103.3(b)(3).

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/or letters redesignating the contributions in question. Refunds are reported on Line 20(a), (b) or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. Redesignations are reported as memo entries on Schedule A of the report covering the period in which the authorization for the redesignation is received. (11 CFR § 104.8(d)(2), (3) and (4))

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund or redesignate the excessive amount will be taken into consideration.

5. Schedule A of your report indicates that your committee may have failed to file one or more of the required 48-hour notices regarding "last minute" contributions received by your committee after the close of books for the 12 Day Pre-General Report (see attached). A principal campaign committee must notify the Commission, in writing, within 48 hours of any contribution of

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\$1,000 or more received between two and twenty days before an election. These contributions are then reported on the next report required to be filed by the committee. To ensure that the Commission is notified of last minute contributions of \$1,000 or more to your campaign, it is recommended that you review your procedures for checking contributions received during the aforementioned time period. The failure to file 48-hour notices may result in civil money penalties or legal enforcement action. If any contribution of \$1,000 or more was incorrectly reported, you must amend your original report with the clarifying information. (11 CFR § 104.5(f))

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

A written response or an amendment to your original report(s) correcting the above problems should be filed with the Senate Public Records Office. Please contact the Senate Public Records Office at (202) 224-0322 for instructions on how and where to file an amendment. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1166.

Sincerely,



Bradley Matheson
Sr. Campaign Finance & Reviewing Analyst
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions
Ted Cruz for Senate (C00492785)****Excessive Contributions from Individuals**

Contributor Name	Date	Amount	Election
Aycox, Rod A.	11/2/12	\$5,000.00	G, 2012
Bauer, Stephen	9/27/12	\$1,000.00	G, 2012
Bauer, Stephen	10/29/12	\$2,500.00	G, 2012
Bauer, Stephen	11/5/12	\$3,000.00	G, 2012
Beal, Steven L.	10/23/12	\$15,000.00	G, 2012
Blanton, Darren	10/9/12	\$7,500.00	G, 2012
Blanton, Darren	10/12/12	-\$7,500.00	G, 2012
Blanton, Darren	10/31/12	\$7,500.00	G, 2012
Bridwell, Tucker	10/23/12	\$15,000.00	G, 2012
Brooks, Randy	11/6/12	\$3,000.00	G, 2012
Clarke, Resa	5/9/12	\$250.00	G, 2012
Clarke, Resa	5/15/12	\$250.00	G, 2012
Clarke, Resa	10/29/12	\$4,000.00	G, 2012
Clarke, Resa	11/6/12	-\$1,750.00	G, 2012
Eagle, Robert W.	10/23/12	\$5,000.00	G, 2012
Gordy, Russell T.	11/1/12	\$15,000.00	G, 2012
Grahm, Tom Dr.	10/25/12	\$5,000.00	G, 2012
Hittner, George	10/29/12	\$5,000.00	G, 2012
Hotze, Steven Dr.	11/6/12	\$5,000.00	G, 2012
Jacobs, Chuck	10/23/12	\$15,000.00	G, 2012
Lambert, Hal	10/11/12	\$2,500.00	G, 2012
Lambert, Hal	11/5/12	\$285.71	G, 2012
Mcdevitt, Sean	10/31/12	\$5,000.00	G, 2012
Perkins, James I.	10/29/12	\$5,000.00	G, 2012

**Excessive, Prohibited, and Impermissible Contributions
Ted Cruz for Senate (C00492785)**

Perkins, James I.	10/29/12	\$2,500.00	G, 2012
Picquet, Glenn A.	10/23/12	\$5,000.00	G, 2012
Roberts, Steven L.	8/13/12	\$2,500.00	G, 2012
Roberts, Steven L.	10/31/12	\$2,500.00	G, 2012
Wilmeth, Steven L.	10/31/12	\$5,000.00	G, 2012

Excessive Contributions from Committees

Contributor Name	Date	Amount	Election
American Bankers Association Qualified Multi-Candidate Commi	9/19/12	\$2,500.00	G, 2012
American Bankers Association	9/27/12	\$2,500.00	G, 2012
American Bankers Association	9/27/12	\$2,500.00	G, 2012
American Bankers Association Qualified Multi-Candidate Commi	10/9/12	\$2,500.00	G, 2012
American Bankers Association Qualified Multi-Candidate Commi	11/1/12	\$1,000.00	G, 2012
American Bankers Association Qualified Multi-Candidate Commi	11/1/12	\$2,000.00	G, 2012

Contributions from Possible Prohibited Entities

Contributor Name	Date	Amount	Election
Fasken Management	10/25/12	\$2,500.00	G, 2012

Contributions from Unregistered Organizations

Contributor Name	Date	Amount	Election
Johnson County Republican Womens Club	11/2/12	\$250.00	G, 2012
Rockwall County Republican Women	10/25/12	\$500.00	G, 2012

Missing 48-Hour Notices
Ted Cruz for Senate (C00492785)

Contributor Name	Date	Amount	Election
Angelo, Betty Lou	10/25/12	\$2,500.00	G, 2012
Boldrick, Miles	10/25/12	\$2,500.00	G, 2012
Evans, Donald L.	10/25/12	\$2,500.00	G, 2012
Evans, Susan M.	10/25/12	\$2,500.00	G, 2012
Fasken Management	10/25/12	\$2,500.00	G, 2012
Haley, Evetts Jr.	10/25/12	\$2,500.00	G, 2012
Kent, William B.	10/25/12	\$2,500.00	G, 2012
Lamonica, Jonah	10/25/12	\$2,500.00	G, 2012
McLeod, Don W.	10/25/12	\$2,500.00	G, 2012
Mills, Steve	10/25/12	\$2,500.00	G, 2012
Saulsbury, Amelia	10/25/12	\$2,500.00	G, 2012
Saulsbury, C.R. Sr.	10/25/12	\$2,500.00	G, 2012
Turrentine, Billy David	10/25/12	\$2,500.00	G, 2012
American Bankers Association Qualified Multi-Candidate Commi	10/29/12	\$2,500.00	O, 2012 RUNOFF
Bancroft, Christopher	11/2/12	\$2,500.00	G, 2012
Bosarge, Marie Taylor	11/2/12	\$2,500.00	G, 2012
Eskridge, Charles R., III	11/2/12	\$2,500.00	G, 2012
Eskridge, Monica	11/2/12	\$2,500.00	G, 2012
Perry, Timothy Emmons	11/2/12	\$2,500.00	G, 2012